



Northeast

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Northeast Utilities Service Company
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December 17, 2001

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

SUBJECT: Periodic RTC Charge True-Up Mechanism Advice Filing

Dear Secretary Cottrell:

Pursuant to D.T.E. Docket No. 00-40 (the "Financing Order"), Western Massachusetts Electric Company ("WMECO"), as servicer of the RRBs or any successor Servicer and on behalf of the trustee for the SPE Debt Securities as assignee of the special purpose entity (the "SPE"), shall apply for adjustment to the RTC Charge no later than 15 days prior to each anniversary of the date of the Financing Order and at such additional intervals as may be provided for in the Financing Order. Any capitalized terms not defined herein shall have the meanings ascribed thereto in the Financing Order.

PURPOSE

This filing establishes the revised RTC Charge to be assessed and collected from all WMECO customers and ratepayers taking the delivery, transmission, distribution, back-up, maintenance, emergency and any other delivery or energy service provided by WMECO to such customer within the territory in which WMECO serves customers, regardless of that customer's source of electric power, whether or not energy is purchased from WMECO or any TPS, and whether or not such distribution system is being operated by WMECO or a successor distribution company ("Retail Customers"). The RTC Charge is a usage-based component of the transition charge on each Retail Customer's monthly bill and may include in the future a component of any exit fee collected pursuant to M.G.L. c. 164, Section 1G(g), until the Total RRB Payment Requirements are discharged in full. In the Financing Order, the Department authorized WMECO to file Routine True-Up Letters prior to each anniversary of the date of the Financing Order and at such additional intervals, if necessary, as provided for in the Financing Order. WMECO, or a successor Servicer, is authorized to file periodic RTC Charge adjustments to the extent necessary to ensure the timely recovery of revenues sufficient to provide for the payment of an amount equal to the sum of the Periodic RRB Payment Requirements (as defined in the Financing Order) for the upcoming year, which may include indemnity obligations of the SPE in the RRB transaction documents for SPE officers and directors, trustee fees, liabilities of the special purpose trust and liabilities to the underwriters related to the underwriting of the RRBs. Routine True-Up Letter filings are those in which WMECO uses the methodology approved by the Department in the Financing Order to adjust upward or downward the existing RTC Charge.

Using the methodology approved by the Department in the Financing Order, this filing modifies the variables used in the RTC Charge calculation and provides the resulting modified RTC Charge. Table I shows the revised assumptions for each of the variables used in calculating the RTC Charge for Retail Customers. The assumptions underlying the current RTC Charges were filed in an Issuance Advice Letter, dated May 16, 2001.

Table I below shows the current assumptions for each of the variables used in the RTC Charge calculation.

TABLE 1
INPUT VALUES FOR RRB CHARGE
Forecasted Usage (kWh) for the Period

<u>2002</u>	
January:	352,034,000
February:	342,457,000
March:	309,328,000
April:	320,553,000
May:	299,789,000
June:	305,264,000
July:	337,097,000
August:	347,672,000
September:	319,375,000
October:	299,560,000
November:	301,791,000
December:	<u>344,235,000</u>
	3,879,155,000

Forecasted percent of customers' billed amounts charged-off: .14%

Weighted average days sales outstanding: 36.95

Collections curve				
	Residential	Commercial	Industrial	Other
1m	33.50%	39.80%	35.90%	39.40%
2m	45.20%	49.00%	49.10%	47.00%
3m	13.90%	9.80%	13.70%	8.10%
4m	4.00%	0.90%	0.90%	1.00%
5m	1.80%	0.30%	0.30%	0.50%

Period (January 2002 - December 2002):

Forecasted ongoing interest and transaction expenses (including any already accrued but unpaid for the period):
\$9,937,387.00

Current Overcollateralization Subaccount balance (as of December 4, 2001): \$32,292.00

Scheduled Overcollateralization Subaccount balance at the end of the period: \$96,875.00

Current Capital Subaccount balance (as of December 4, 2001): \$779,049.15

Initial Capital Subaccount balance: \$775,000.00

Current RRB outstanding balance: \$152,317,336

Scheduled RRB outstanding balance at the end of the period: \$142,742,170.00

Current Reserve Subaccount balance as of December 4, 2001: \$648,143.76

The adjusted RRB Charge calculated for customers is as follows: .4965 ¢/kWh.

EFFECTIVE DATE

In accordance with the Financing Order, Routine True-Up Letters for annual RTC Charge adjustments shall be filed prior to the anniversary of the Financing Order, or more frequently if necessary, with the resulting changes to be effective on the first day of the succeeding calendar month, or such date as may be specified in the Routine True-Up Letter, as long as such effective date is at least 15 days after the filing of such Routine True-Up Letter. No approval by the Department is required. Therefore, these RTC Charges shall be effective as of January 1, 2002.

NOTICE

Copies of this filing are being furnished to the parties in this docket. Notice to the public is hereby given by filing and keeping this filing open for public inspection at WMECO's corporate headquarters.

Sincerely,

Randy A. Shoop
Assistant Treasurer - Finance